Requirement of natural & synthetic yarn

1411. SHRI T.T.V. DHINKARAN: Will the Minister of TEXTILES be pleased to state:

(a) the annual requirement of natural and synthetic yarn and the status of indigenous productions and import from foreign countries for meeting the demand of handloom, powerloom and textile mills in the country during the last three years;

(b) the latest policy regarding promotion of handloom and powerloom and the provisions of grants to it;

(c) whether export of cotton yarn is constantly decreasing; and

(d) if so, whether Government proposes to take steps to increase the export of cotton yarn?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) the handlooms sector is highly decentralized and as such it is difficult to collect accurate requirement of yarn by the handloom industry. However, the yarn packed in hank form is the main raw material used in the handloom industry of which about 90% is estimated to be cotton yarn and remaining blended and non-cotton yarn. During the year 2003-04, 421 million Kgs. of yarn packed in hank form was delivered in the domestic market. The status of the indigenous production of natural and synthetic yarn and their import for the last three years is as follows:—

(Quantity in Million Kg.)

Description	2001-02		2002-03		2003-04	
	Indigenous Production	Import	Indigenous Production	Import	Indigenous Production	Import
Natural yarn (cotton, silk & wool)	2847	5	2774	6	2611	10
Synthetic yarn (blended, 100% non-cotton and man-made filament yarn)	1851	134	2004	171	2049	155
TOTAL	4698	139	4778	177	4,660	165

(b) The Government seeks to promote handloom and powerloom sectors through the following Schemes:—

Handloom Sector:

- Deen Dayal Hathkargha Prothsahan Yojana
- Handloom Export Scheme
- Marketing Promotion Programme
- Design Development & Training Programme
- Integrated Handloom Training Programme
- Mill Gate Price Scheme
- Workshed cum Housing Scheme
- Weavers Welfare scheme
- Bunkar Bima Yojna
- Implementation of Handloom (Reservation of Articles for Production) Act 1985
- 10% Rebate on Handloom products

The Budget 2004-05 provides Rs. 154.56 crore in the plan and Rs. 51.20 crore in Non-Plan side for implementing the above schemes.

Powerloom Sector:

- Modernisation and Strengthening of Powerloom Service Centres Scheme: There is a provision of Rs. 35.27 crore for this scheme during the 10th Plan period.
- Support to Computer Aided Design Centres Scheme: There is a provision of Rs. 2 crore for this Scheme during the 10th Plan period.
- Group Insurance Scheme: There is a provision of Rs. 1.73 crore for this Scheme during the10th Plan period.

* Group Workshed Scheme: There is a provision of Rs. 19.27 crore for this Scheme during the10th Plan period.

* Incentives under the Technology Upgradation Fund Scheme (TUFS) for the powerloom sector.

(c) The data on export of cotton yarn including sewing thread for the last three years is given below:—

(Quantity in million Kg.)/(Value in Rs. crores)

Description	2001-02		2002-03		2003-04	
	Qty.	Value	Qty.	Value	Qty.	Value
Cotton Yarn (Incl. sewing thread)	438	5375	511	5923	466	5998

It may be noticed that the quantum of export of cotton yarn showed a mixed trend during 2001-02 to 2003-04, whereas in value terms threre was an increase during the same period.

(d) The Government has taken various measures to increase export of textile items including cotton yarn. Some of the measures are given below:—

* The mandatory Central Value Added Tax (CENVAT) chain has been abolished. The CENVAT Scheme has been made optional. Consequently, no mandatory excise durty is leviable on pure cotton yarn, fabrics or garments.

* All Textiles and textile articles falling under chapter 50 to 63 have been fully exempted from duties leviable under additional Excise duty (Goods of Special Importance) Act and Additional Excise Duty (Textiles and Textile Articles) Act, where ever applicable.

* Ceiling and restrictions on export of cotton yarn to non quota countries was removed w.e.f. 1st January, 2002.

Decline in production of cloth in handloom sector

1412. SHRI R.K. ANAND: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that there is decline in production of cloth in